

NRO-1

SECRET

DRAFT
MSC:blp (10 June 1963)

MEMORANDUM FOR THE DIRECTOR

SUBJECT: NRO Organization

1. On 2 May 1962 a DOD/CIA agreement on NRO was effected. This agreement did not work out satisfactorily and it was accordingly renegotiated by a new agreement dated 13 March 1963. Although this agreement is still in full effect, directives signed by Dr. McMillan, Terms of Reference signed by Colonel Martin, and recent draft memoranda proposed by Mr. Gilpatric have all served to indicate the clear intent of the Department of Defense to abrogate the latest NRO agreement still only three months old. The most recent correspondence from Mr. Gilpatric dated 29 May with an enclosure dated 31 May (subsequently amended by a memorandum of 4 June) is the problem presently under discussion. Mr. Gilpatric states, "Enclosed are copies of a memorandum with its attachments which I am sending to the Chairman of the Joint Chiefs of Staff. . . . No final action on these matters will take place until I have heard from you with regard to them."

2. Your memorandum for the record of discussions with Mr. Gilpatric, 4 June, is a clear-cut statement of what the CIA

OGC Has Reviewed

NRO review(s) completed.

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position must be and of what your position as Director of Central Intelligence for the United States Government must be. Mr. Gilpatric pointed out the undesirability of raising this basic issue at this time and accordingly you agreed to suggest amendments and changes to the Gilpatric attachments.

3. The General Counsel, at your direction, has prepared a memorandum which attempts to conform to your agreement not to raise the basic issues and suggests changes to the Gilpatric attachments in order to protect our interests. These have not yet been discussed with Dr. Scoville but have been seen by members of his staff.

4. I have personally reviewed this entire problem and am of the firm opinion that you cannot place yourself in the position of "negotiating" on the new proposals, nor can you, as DCI, accept a caveat designed to protect CIA interests only. Everything in the new Gilpatric proposals is a clear downgrading of CIA activities and responsibilities, and takes away from the Director of Central Intelligence his prime responsibility for intelligence collection by any and all means. As a matter of fact, the phraseology is such that the Director of Central Intelligence is personally downgraded, in

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some cases by omission, in others by position. There is absolutely no question in my mind that these past and present actions indicate a direct and immediate move to get you and the CIA entirely out of the aerial reconnaissance business, and I do not think we can stand for this for another day.

5. I know of no events or incidents which would require any immediate change in our present operating procedures -- i.e., the Joint Chiefs of Staff and the Joint Reconnaissance Center continuing business along their present lines, and the DOD/CIA continuing business in accordance with the terms of the basic NRO agreement of 13 March 1963. Insofar as the CIA is concerned, however, we have failed to do what we should have done under that basic agreement in order to go forward with a proper program and insert ourselves into the NRO organization where we should be. Certainly we have been effectively blocked at every attempt to do so. This was a failure (or success) of people rather than a failure of the system.

6. I therefore propose that you indicate to Mr. Gilpatric that you are not prepared to accept the JRC into the NRO organization now, that you are not prepared to accept any alterations to the basic agreement of 13 March 1963, that you will not accept policy directives

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from the Director, NRO, nor will you accept limitations on the full Deputy responsibilities of the CIA Deputy. That in the event Mr. Gilpatric does not choose to go along with this, then it is mandatory that the basic issue be raised at once at the highest level. All of this should be told to Mr. Gilpatric orally and in private.

7. A letter for your signature to Mr. Gilpatric responding to his memoranda of 29 May and 4 June is attached. I recommend that you sign it.

MSC

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D R A F T
MSC:blp (10 June 1963)

MEMORANDUM FOR MR. GILPATRIC

1. Your memorandum of 29 May 1963 forwarded to me, copies of a memorandum concerning NRO, with its attachments, which you indicate you are sending to the Chairman of the Joint Chiefs of Staff, and on which you have asked my views.
2. I know of no event or incident which indicates that a necessity now exists to alter the terms of our basic NRO agreement of 13 March 1963, or to inject into NRO the additional and most complicating factor of the JCS/JRC. There have been disagreements between our people on implementation of the NRO agreement -- I think these have been caused by people and their inadequacies rather than by inadequacies in the agreement itself. As I have indicated to you orally, I am taking immediate action to designate a full-time Deputy Director of NRO, with appropriate staff support. This Deputy Director will operate as a true Deputy in the chain of command and in accordance with the terms of our basic agreement.
3. We simply have not given our two agencies the opportunity to get themselves organized on a truly joint basis to properly establish adequate management of the National Reconnaissance Program. Until this is done, I am unable to accept substantive changes in the basic

agreement or the addition of new operating complexes into the responsibilities of the Director and Deputy Director of NRO.

Accordingly, I cannot agree to your proposed major operational changes to our National Reconnaissance Program.

John A. McCone
Director

NRO-1



10 June 1963

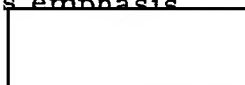
MEMORANDUM FOR: General Carter

1. The Director has asked me to give you my comments on his draft letter of 10 June to Secretary Gilpatric. This letter goes to the basic issue and if we are going to stay in the reconnaissance business I think the points are well taken.

2. It is the interjection of the JRC into NRO that thoroughly confuses the issue and gives me great doubts that anything so organized could operate without continual dispute and confusion. Further, I believe there would be great resistance to putting a CIA appointee as fulltime Deputy Director in the chain of command. I know of nothing in our experience in the conduct of our operations in the past which indicates any need for JRC participation, and in fact I believe the indications are to the contrary.

3. The question whether we stay in the business is a good one. We originally took the U-2 program, over strong protest of the Bureau of the Budget, upon acknowledgment by the Air Force that they could not do the procurement with adequate security and on the theory that we could make the flights plausibly deniable. The latter point proved of doubtful validity, and on procurement the Air Force has improved its procedures but could not, I believe, carry out a program like OXCART with the requisite security. Neither could they, in my opinion, negotiate as quickly and as securely with other countries on the delicate rights involved in staging overflights. These, I believe, are valid continuing points and possibly should be stressed in this letter.

4. Aside from this I concur in the substance of the letter. There is repetition in the last paragraph on page 2 and the last paragraph on page 4 in commenting on use of JRC to execute DOD missions, but perhaps this is good as emphasis



L. R. Houston

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NRO-1
DRAFT:JAM:msb

10 June 1963

Dear Ros:

I have been studying your memorandum of 29 May 1963 and the attached memorandum concerning NRO dated May 31st, and note that you were sending these communications to the Chairman of the Joint Chiefs of Staff. In your communication and in subsequent conversations you asked my views on the May 31st memorandum.

Frankly I question the necessity for complicating the 13 March 1963 NRO agreement by injecting into the NRO the complicating factor of the JCS-JRC. Certainly it was the intention of the NRO agreement to utilize to the maximum the appropriate technical and operational resources of DoD and CIA to support all reconnaissance operations. With the exception of the U-2 and low level reconnaissance flights over Cuba

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initial equipment for these flights was developed by CIA and the improved equipment is likewise now under development by them.

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The reasons why this responsibility was placed with CIA are manifold, are well known and, I believe, are just as valid now as they were when the assignments were originally made. I believe that no change should be made in this arrangement at this time.

The Joint Chiefs of Staff have a keen interest in the Agency's reconnaissance operations and, of course, are kept fully informed through the Special Group and by almost continuous regular contact at the staff level. If the present facilities for communication are insufficient, arrangements could be made to bring the JCS closer into the picture by having a JCS representative sit with the Special Group at all times when reconnaissance problems are being discussed.

25X1 If it is desirable from your standpoint to have JRC execute those specific NRO undertakings conducted by the DoD., i.e., Cuban overflights then some form of arrangement might be in order to formalize the relationship between NRO and JCS-JRC in these particular instances. In my opinion this could be arranged by the simplest form of agreement. If this is the purpose of the communications you sent to me, my only comment is that the agreements are far too elaborate for the missions involved.

ILLEGIB

NRO is not concerned with peripheral missions and
I don't think it should be.

The NRO agreement of a year ago got off to a bad start, however, it was revised. I see no reason why the March 13 agreement should not work. Significantly the President's Foreign Intelligence Advisory Board which has been very critical of our interdepartmental-NRO arrangements were outspoken in their approval of the most recent agreement.

There have been some misunderstandings between your people and ours in the implementation of the agreement but I think the difficulties have been caused by people and their inadequacies rather than the inadequacies of the agreement itself. One correction that could be made would be to place a Deputy Director of NRO (A CIA appointee) as a full time man. This will give the Director the support he needs and would provide a closer link between NRO which is housed in Defense and the work being done for NRO by CIA. Mr. McMillan has indicated his desire to have Mr. Kiefer from DD/R for this post and this is acceptable to me.

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Frankly I do not feel our two Agencies have had time to work out the management of the national reconnaissance program on a truly joint basis. Furthermore time has not permitted you, Secretary McNamara and me to sit down to review the national reconnaissance plan in its broadest sense and from a policy standpoint. This is one of our responsibilities under the present agreement.

Hence, until we learn from experience that the presently conceived NRO cannot operate satisfactorily, I feel it would be a mistake to make as broad a change as the introduction of the JRC involves. This is not to say, however, that if the D/NRO and his Deputy wish to call on the JRC to execute those missions assigned to the Department of Defense their doing so would be perfectly agreeable to me. However, it must be recognized that this does not involve a change in the basic philosophy of handling reconnaissance over foreign territory in the traditional manner through CIA's facilities which are existent and capable, except, of course, in the case of war or the imminence of war.

Sincerely,

The Honorable Roswell L. Gilpatric
Deputy Secretary of Defense
Department of Defense
Washington 25, D. C.

John A. McCone

SECRET

ER-63-4819



11 June 1963

Dear Ros:

I have been studying your memorandum of 29 May 1963 and the attached memorandum concerning NRO dated May 31st, and note that you were sending these communications to the Chairman of the Joint Chiefs of Staff. In your communication and in subsequent conversations you asked my views on the May 31st memorandum.

Frankly I question the necessity for complicating the 13 March 1963 NRO agreement by injecting into the NRO the complicating factor of the JCS-JRC. Certainly it was the intention of the NRO agreement to utilize to the maximum the appropriate technical and operational resources of DoD and CIA to support all reconnaissance operations. With the exception of the U-2 and low level reconnaissance flights over Cuba

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The initial equipment for these flights was developed by CIA and the improved equipment is likewise now under development by them. The reasons why this responsibility was placed with CIA are manifold, are well known and, I believe, are just as valid now as they were when the assignments were originally made. I believe that no change should be made in this arrangement at this time.

The Joint Chiefs of Staff have a keen interest in the Agency's reconnaissance operations and, of course, are kept fully informed through the Special Group and by almost continuous regular contact at the staff level. If the present facilities for communication are insufficient, arrangements could be made to bring the JCS closer into the picture by having a JCS representative sit with the Special Group at all times when reconnaissance problems are being discussed.

If it is desirable from your standpoint to have JRC execute these specific NRO undertakings conducted by the DoD, i. e., Cuban overflights [redacted] then some form of arrangement might be in order to formalize the relationship between NRO and JCS-JRC in these particular instances. In my opinion this could be arranged by the simplest form of agreement. If this is the purpose of the communications you sent to me, my only comment is that the agreements are far too elaborate for the missions involved.

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NRO is not concerned with peripheral missions and I don't think it should be, other than to insure coordination and non-interference with overflights which is accomplished through Special Group review process.

The NRO agreement of a year ago got off to a bad start, however, it was revised. I see no reason why the March 13 agreement should not work. Significantly the President's Foreign Intelligence Advisory Board which has been very critical of our original interdepartmental-NRO arrangements has favorably noted the major improvements in the most recent agreement.

There have been some misunderstandings between your people and ours in the implementation of the agreement but I think the difficulties have been caused by people and their inadequacies rather than the inadequacies of the agreement itself. One correction that could be made would be to place a Deputy Director of NRO (a CIA appointee) as a full time man. This will give the Director the support he needs and would provide a closer link between NRO which is housed in Defense and the work being done for NRO by CIA. Dr. McWilliam has indicated his desire to have Mr. Klefer from DD/R for this post and this is acceptable to me.

Frankly I do not feel our two Agencies have had time to work out the management of the national reconnaissance program on a truly joint basis. Furthermore time has not permitted you, Secretary McNamara and me to sit down to review the national reconnaissance plan in its broadest sense and from a policy standpoint. This is one of our responsibilities under the present agreement.

Hence, until we learn from experience that the presently conceived NRO cannot operate satisfactorily, I feel it would be a mistake to make as broad a change as the introduction of the JRC involves. This is not to say, however, that if the D/NRO and his Deputy wish to call on the JRC to execute those missions assigned to the Department of Defense their doing so would be perfectly agreeable to me. However, it must be recognized that this does not involve a change in the basic philosophy of handling reconnaissance over foreign territory in the traditional manner through CIA's facilities which are existent and capable, except, of course, in the case of war or the imminence of war.

Sincerely,

10/
John A. McCone
Director

The Honorable Roswell L. Gilpatric
Deputy Secretary of Defense
Department of Defense
Washington 25, D. C.

DCI/mfb:bd (11 June)

Orig - Addressee

1 - DCI Defense

1 - DCI Chrono

1 - DD/R

1 - ER

1 - OGC

handcarried by DCL on 12 June

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